

**Executive Summary – Enforcement Matter – Case No. 42999**  
**Moss Bluff Hub, LLC**  
**RN100217256**  
**Docket No. 2011-2161-AIR-E**

**Order Type:**

1660 Agreed Order

**Findings Order Justification:**

N/A

**Media:**

AIR

**Small Business:**

No

**Location(s) Where Violation(s) Occurred:**

Moss Bluff Natural Gas Storage Facility, 1078 Private Road 125G, Liberty County

**Type of Operation:**

Natural gas storage plant

**Other Significant Matters:**

Additional Pending Enforcement Actions: No

Past-Due Penalties: No

Other: N/A

Interested Third-Parties: None

**Texas Register Publication Date:** April 13, 2012

**Comments Received:** No

***Penalty Information***

**Total Penalty Assessed:** \$36,720

**Amount Deferred for Expedited Settlement:** \$7,344

**Amount Deferred for Financial Inability to Pay:** \$0

**Total Paid to General Revenue:** \$29,376

**Total Due to General Revenue:** \$0

Payment Plan: N/A

**SEP Conditional Offset:** \$0

Name of SEP: N/A

**Compliance History Classifications:**

Person/CN - Average

Site/RN - Average

**Major Source:** Yes

**Statutory Limit Adjustment:** N/A

**Applicable Penalty Policy:** September 2002

**Executive Summary – Enforcement Matter – Case No. 42999**  
**Moss Bluff Hub, LLC**  
**RN100217256**  
**Docket No. 2011-2161-AIR-E**

***Investigation Information***

**Complaint Date(s):** N/A

**Complaint Information:** N/A

**Date(s) of Investigation:** February 24, 2011

**Date(s) of NOE(s):** June 22, 2011

***Violation Information***

1. Failed to record the pumping rate of storage tanks and tank truck loading since issuance of the New Source Review (“NSR”) permit on April 29, 2005 [30 TEX. ADMIN. CODE §§ 116.115(c) and 122.143(4), NSR Permit No. 20205, Special Conditions No. 10, Federal Operating Permit (“FOP”) No. 02587, General Terms and Conditions and Special Terms and Conditions No. 7, and TEX. HEALTH & SAFETY CODE § 382.085(b)].
2. Failed to install a submerged fill pipe or a vapor recovery system as an emission control device on storage tank D-990 containing pipeline liquids/condensate with a true vapor pressure of 17.7 pounds per square inch by January 1, 2009, resulting in the release of approximately 11.4 tons of volatile organic compounds (“VOC”) in 2009 and 4.15 tons of VOC in 2010 [30 TEX. ADMIN. CODE §§ 115.112(d)(1) and 122.143(4), FOP No. 02587, General Terms and Conditions and Special Terms and Conditions No. 1.A., and TEX. HEALTH & SAFETY CODE § 382.085(b)].
3. Failed to report a deviation for failing to install an emission control device on storage tank D-990 for the four semi-annual deviation reporting periods between March 19, 2009 to March 18, 2011 [30 TEX. ADMIN. CODE §§ 122.143(4) and 122.145(2)(A), FOP No. 02587, General Terms and Conditions and Special Terms and Conditions No. 1.A., and TEX. HEALTH & SAFETY CODE § 382.085(b)].
4. Failed to record monthly inspections of the capture system associated with the VOC control device (Thermal Oxidizer MB-TO1) subject to Compliance Assurance Monitoring since FOP No. 02587 was renewed on December 21, 2010 [30 TEX. ADMIN. CODE §§ 122.143(4) and 122.144(1), FOP No. 02587, General Terms and Conditions and Special Terms and Conditions No. 6, and TEX. HEALTH & SAFETY CODE § 382.085(b)].

***Corrective Actions/Technical Requirements***

**Corrective Action(s) Completed:**

The Respondent has implemented the following corrective measures at the Plant:

a. By September 7, 2011:

i. Began recording the pumping rate of storage tanks and tank truck loading; and

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**Moss Bluff Hub, LLC**  
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ii. Began recording the results of daily monitoring of the combustion/exhaust gas temperatures of the capture system associated with the VOC control device (Thermal Oxidizer MB-TO1).

b. By October 17, 2011, reported the deviation for failing to install an emission control device on storage tank D-990; and

c. By November 28, 2011, retrofitted storage tank D-990 with a submerged pipe as an emission control device.

**Technical Requirements:**

N/A

***Litigation Information***

**Date Petition(s) Filed:** N/A

**Date Answer(s) Filed:** N/A

**SOAH Referral Date:** N/A

**Hearing Date(s):** N/A

**Settlement Date:** N/A

***Contact Information***

**TCEQ Attorney:** N/A

**TCEQ Enforcement Coordinator:** Trina Grieco, Enforcement Division,  
Enforcement Team 4, MC R-13, (210) 403-4006; Debra Barber, Enforcement Division,  
MC 219, (512) 239-0412

**TCEQ SEP Coordinatr:** N/A

**Respondent:** Verne K. Fletcher, General Manager, SE Region, Moss Bluff Hub, LLC,  
5400 Westheimer Court, Houston, Texas 77056-5310  
Louis Dunham III, Senior Environmental, Health & Safety Specialist, Moss Bluff Hub,  
LLC, 5400 Westheimer Court, Houston, Texas 77056-5310

**Respondent's Attorney:** N/A





# Penalty Calculation Worksheet (PCW)

Policy Revision 2 (September 2002)

PCW Revision October 30, 2008

TCEQ

<b>DATES</b>	<b>Assigned</b>	31-Oct-2011	<b>Screening</b>	17-Nov-2011	<b>EPA Due</b>	N/A
	<b>PCW</b>	20-Dec-2011				

## RESPONDENT/FACILITY INFORMATION

<b>Respondent</b>	Moss Bluff Hub, LLC
<b>Reg. Ent. Ref. No.</b>	RN100217256
<b>Facility/Site Region</b>	12-Houston
<b>Major/Minor Source</b>	Major

## CASE INFORMATION

<b>Enf./Case ID No.</b>	42999	<b>No. of Violations</b>	4
<b>Docket No.</b>	2011-2161-AIR-E	<b>Order Type</b>	1660
<b>Media Program(s)</b>	Air	<b>Government/Non-Profit</b>	No
<b>Multi-Media</b>		<b>Enf. Coordinator</b>	Trina Grieco
		<b>EC's Team</b>	Enforcement Team 4
<b>Admin. Penalty \$ Limit Minimum</b>	\$0	<b>Maximum</b>	\$10,000

## Penalty Calculation Section

**TOTAL BASE PENALTY (Sum of violation base penalties)** **Subtotal 1** **\$30,600**

## ADJUSTMENTS (+/-) TO SUBTOTAL 1

Subtotals 2-7 are obtained by multiplying the Total Base Penalty (Subtotal 1) by the indicated percentage.

**Compliance History** **30.0%** Enhancement **Subtotals 2, 3, & 7** **\$9,180**

Notes

Enhancement for two NOV's with same/similar violations and one order with denial of liability.

**Culpability**

No

**0.0%** Enhancement

**Subtotal 4**

**\$0**

Notes

The Respondent does not meet the culpability criteria.

**Good Faith Effort to Comply Total Adjustments**

**Subtotal 5**

**\$3,060**

**Economic Benefit**

**0.0%** Enhancement\*

**Subtotal 6**

**\$0**

Total EB Amounts

\$772

Approx. Cost of Compliance

\$5,300

\*Capped at the Total EB \$ Amount

**SUM OF SUBTOTALS 1-7**

**Final Subtotal**

**\$36,720**

**OTHER FACTORS AS JUSTICE MAY REQUIRE**

**0.0%**

**Adjustment**

**\$0**

Reduces or enhances the Final Subtotal by the indicated percentage.

Notes

**Final Penalty Amount**

**\$36,720**

**STATUTORY LIMIT ADJUSTMENT**

**Final Assessed Penalty**

**\$36,720**

**DEFERRAL**

**20.0%**

Reduction

**Adjustment**

**-\$7,344**

Reduces the Final Assessed Penalty by the indicated percentage. (Enter number only; e.g. 20 for 20% reduction.)

Notes

Deferral offered for expedited settlement.

**PAYABLE PENALTY**

**\$29,376**

Screening Date 17-Nov-2011

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PCW

Respondent Moss Bluff Hub, LLC

Policy Revision 2 (September 2002)

Case ID No. 42999

PCW Revision October 30, 2008

Reg. Ent. Reference No. RN100217256

Media [Statute] Air

Enf. Coordinator Trina Grieco

## Compliance History Worksheet

## &gt;&gt; Compliance History Site Enhancement (Subtotal 2)

Component	Number of...	Enter Number Here	Adjust.
NOVs	Written notices of violation ("NOVs") with same or similar violations as those in the current enforcement action ( <i>number of NOVs meeting criteria</i> )	2	10%
	Other written NOVs	0	0%
Orders	Any agreed final enforcement orders containing a denial of liability ( <i>number of orders meeting criteria</i> )	1	20%
	Any adjudicated final enforcement orders, agreed final enforcement orders without a denial of liability, or default orders of this state or the federal government, or any final prohibitory emergency orders issued by the commission	0	0%
Judgments and Consent Decrees	Any non-adjudicated final court judgments or consent decrees containing a denial of liability of this state or the federal government ( <i>number of judgements or consent decrees meeting criteria</i> )	0	0%
	Any adjudicated final court judgments and default judgments, or non-adjudicated final court judgments or consent decrees without a denial of liability, of this state or the federal government	0	0%
Convictions	Any criminal convictions of this state or the federal government ( <i>number of counts</i> )	0	0%
Emissions	Chronic excessive emissions events ( <i>number of events</i> )	0	0%
Audits	Letters notifying the executive director of an intended audit conducted under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 ( <i>number of audits for which notices were submitted</i> )	0	0%
	Disclosures of violations under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 ( <i>number of audits for which violations were disclosed</i> )	0	0%
Please Enter Yes or No			
Other	Environmental management systems in place for one year or more	No	0%
	Voluntary on-site compliance assessments conducted by the executive director under a special assistance program	No	0%
	Participation in a voluntary pollution reduction program	No	0%
	Early compliance with, or offer of a product that meets future state or federal government environmental requirements	No	0%

Adjustment Percentage (Subtotal 2) 30%

## &gt;&gt; Repeat Violator (Subtotal 3)

No

Adjustment Percentage (Subtotal 3) 0%

## &gt;&gt; Compliance History Person Classification (Subtotal 7)

Average Performer

Adjustment Percentage (Subtotal 7) 0%

## &gt;&gt; Compliance History Summary

Compliance  
History  
Notes

Enhancement for two NOVs with same/similar violations and one order with denial of liability.

Total Adjustment Percentage (Subtotals 2, 3, &amp; 7) 30%

Screening Date 17-Nov-2011

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PCW

Respondent Moss Bluff Hub, LLC

Policy Revision 2 (September 2002)

Case ID No. 42999

PCW Revision October 30, 2008

Reg. Ent. Reference No. RN100217256

Media [Statute] Air

Enf. Coordinator Trina Grieco

Violation Number 1

Rule Cite(s)

30 Tex. Admin. Code §§ 116.115(c) and 122.143(4), New Source Review ("NSR") Permit No. 20205, Special Conditions No. 10, Federal Operating Permit ("FOP") No. 02587, General Terms and Conditions and Special Terms and Conditions No. 7, and Tex. Health & Safety Code § 382.085(b)

Violation Description

Failed to record the pumping rate of storage tanks and tank truck loading since issuance of the NSR permit on April 29, 2005.

Base Penalty \$10,000

## &gt;&gt; Environmental, Property and Human Health Matrix

OR

Release	Harm		
	Major	Moderate	Minor
Actual			
Potential			

Percent 0%

## &gt;&gt; Programmatic Matrix

Falsification	Major	Moderate	Minor
			x

Percent 1%

Matrix Notes

The Respondent failed to comply with less than 30% (one of five) of the rule requirements.

Adjustment \$9,900

\$100

## Violation Events

Number of Violation Events 1

2328 Number of violation days

mark only one  
with an x

daily	
weekly	
monthly	
quarterly	
semiannual	
annual	
single event	x

Violation Base Penalty \$100

One single event is recommended.

## Good Faith Efforts to Comply

10.0% Reduction

\$10

	Before NOV	NOV to EDRP/Settlement Offer
Extraordinary		
Ordinary		x
N/A		(mark with x)

The Respondent completed corrective actions by September 7, 2011, after the June 22, 2011 Notice of Enforcement ("NOE").

Violation Subtotal \$90

## Economic Benefit (EB) for this violation

## Statutory Limit Test

Estimated EB Amount \$32

Violation Final Penalty Total \$120

This violation Final Assessed Penalty (adjusted for limits) \$120

# Economic Benefit Worksheet

Respondent Moss Bluff Hub, LLC  
Case ID No. 42999  
Reg. Ent. Reference No. RN100217256  
Media Air  
Violation No. 1

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
No commas or \$							

## Delayed Costs

Equipment				0.00	\$0	\$0	\$0
Buildings				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0
Engineering/construction				0.00	\$0	\$0	\$0
Land				0.00	\$0	n/a	\$0
Record Keeping System	\$100	29-Apr-2005	7-Sep-2011	6.36	\$32	n/a	\$32
Training/Sampling				0.00	\$0	n/a	\$0
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs				0.00	\$0	n/a	\$0
Other (as needed)				0.00	\$0	n/a	\$0

Notes for DELAYED costs

Estimated expense to record the pumping rate of storage tanks and tank truck loading. The Date Required is the date the records were required. The Final Date is the date corrective actions were completed.

## Avoided Costs

ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)

Disposal				0.00	\$0	\$0	\$0
Personnel				0.00	\$0	\$0	\$0
Inspection/Reporting/Sampling				0.00	\$0	\$0	\$0
Supplies/equipment				0.00	\$0	\$0	\$0
Financial Assurance [2]				0.00	\$0	\$0	\$0
ONE-TIME avoided costs [3]				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0

Notes for AVOIDED costs

Approx. Cost of Compliance

\$100

TOTAL

\$32



Screening Date 17-Nov-2011

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PCW

Respondent Moss Bluff Hub, LLC

Policy Revision 2 (September 2002)

Case ID No. 42999

PCW Revision October 30, 2008

Reg. Ent. Reference No. RN100217256

Media [Statute] Air

Enf. Coordinator Trina Grieco

Violation Number 2

Rule Cite(s)

30 Tex. Admin. Code §§ 115.112(d)(1) and 122.143(4), FOP No. 02587, General Terms and Conditions and Special Terms and Conditions No. 1.A., and Tex. Health & Safety Code § 382.085(b)

## Violation Description

Failed to install a submerged fill pipe or a vapor recovery system as an emission control device on storage tank D-990 containing pipeline liquids/condensate with a true vapor pressure of 17.7 pounds per square inch by January 1, 2009, resulting in the release of approximately 11.4 tons of volatile organic compounds ("VOC") in 2009 and 4.15 tons of VOC in 2010.

Base Penalty \$10,000

## &gt;&gt; Environmental, Property and Human Health Matrix

OR

Release	Harm		
	Major	Moderate	Minor
Actual			X
Potential			

Percent 25%

## &gt;&gt; Programmatic Matrix

Falsification	Major	Moderate	Minor

Percent 0%

Matrix Notes

Human health or the environment has been exposed to insignificant amounts of contaminants that did not exceed protective levels as a result of the violation.

Adjustment \$7,500

\$2,500

## Violation Events

Number of Violation Events 12

1061 Number of violation days

mark only one  
with an x

daily	
weekly	
monthly	
quarterly	X
semiannual	
annual	
single event	

Violation Base Penalty \$30,000

Twelve quarterly events are recommended from the date the submerged fill pipe was required to be installed (January 1, 2009) to the date it was installed (November 28, 2011).

## Good Faith Efforts to Comply

10.0% Reduction

\$3,000

Extraordinary

Before NOV NOV to EDPRP/Settlement Offer

Ordinary

N/A

X

(mark with x)

Notes

The Respondent completed corrective actions by November 28, 2011, after the June 22, 2011 NOE.

Violation Subtotal \$27,000

## Economic Benefit (EB) for this violation

## Statutory Limit Test

Estimated EB Amount \$727

Violation Final Penalty Total \$36,000

This violation Final Assessed Penalty (adjusted for limits) \$36,000

# Economic Benefit Worksheet

**Respondent** Moss Bluff Hub, LLC  
**Case ID No.** 42999  
**Req. Ent. Reference No.** RN100217256  
**Media** Air  
**Violation No.** 2

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
No commas or \$							

## Delayed Costs

Equipment				0.00	\$0	\$0	\$0
Buildings				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0
Engineering/construction				0.00	\$0	\$0	\$0
Land				0.00	\$0	n/a	\$0
Record Keeping System				0.00	\$0	n/a	\$0
Training/Sampling				0.00	\$0	n/a	\$0
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs				0.00	\$0	n/a	\$0
Other (as needed)	\$5,000	1-Jan-2009	28-Nov-2011	2.91	\$727	n/a	\$727

Notes for DELAYED costs

Estimated expense to make the required modifications to the storage tank. The Date Required is the date the controls were required to be installed. The Final Date is the date corrective actions were completed.

## Avoided Costs

ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)

Disposal				0.00	\$0	\$0	\$0
Personnel				0.00	\$0	\$0	\$0
Inspection/Reporting/Sampling				0.00	\$0	\$0	\$0
Supplies/equipment				0.00	\$0	\$0	\$0
Financial Assurance [2]				0.00	\$0	\$0	\$0
ONE-TIME avoided costs [3]				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0

Notes for AVOIDED costs

Approx. Cost of Compliance

\$5,000

TOTAL

\$727

Screening Date 17-Nov-2011

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PCW

Respondent Moss Bluff Hub, LLC

Policy Revision 2 (September 2002)

Case ID No. 42999

PCW Revision October 30, 2008

Reg. Ent. Reference No. RN100217256

Media [Statute] Air

Enf. Coordinator Trina Grieco

Violation Number 3

Rule Cite(s)

30 Tex. Admin. Code §§ 122.143(4) and 122.145(2)(A), FOP No. 02587, General Terms and Conditions and Special Terms and Conditions No. 1.A., and Tex. Health & Safety Code § 382.085(b)

Violation Description

Failed to report a deviation for failing to install an emission control device on storage tank D-990 for the four semi-annual deviation reporting periods between March 19, 2009 to March 18, 2011.

Base Penalty \$10,000

## &gt;&gt; Environmental, Property and Human Health Matrix

OR

Release	Harm		
	Major	Moderate	Minor
Actual			
Potential			

Percent 0%

## &gt;&gt; Programmatic Matrix

Falsification			
	Major	Moderate	Minor
			x

Percent 1%

Matrix Notes

The Respondent failed to comply with less than 30% of the rule requirements.

Adjustment \$9,900

\$100

## Violation Events

Number of Violation Events 4

729 Number of violation days

mark only one  
with an x

daily	
weekly	
monthly	
quarterly	
semiannual	
annual	
single event	x

Violation Base Penalty \$400

Four single events are recommended for the four deficient reports.

## Good Faith Efforts to Comply

10.0% Reduction

\$40

	Before NOV	NOV to EDPRP/Settlement Offer
Extraordinary		
Ordinary		x
N/A		(mark with x)

Notes

The Respondent completed corrective actions by October 17, 2011, after the June 22, 2011 NOE.

Violation Subtotal \$360

## Economic Benefit (EB) for this violation

## Statutory Limit Test

Estimated EB Amount \$10

Violation Final Penalty Total \$480

This violation Final Assessed Penalty (adjusted for limits) \$480

# Economic Benefit Worksheet

Respondent Moss Bluff Hub, LLC  
Case ID No. 42999  
Reg. Ent. Reference No. RN100217256  
Media Air  
Violation No. 3

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
No commas or \$							

## Delayed Costs

Equipment				0.00	\$0	\$0	\$0
Buildings				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0
Engineering/construction				0.00	\$0	\$0	\$0
Land				0.00	\$0	n/a	\$0
Record Keeping System				0.00	\$0	n/a	\$0
Training/Sampling	\$100	18-Oct-2009	17-Oct-2011	2.00	\$10	n/a	\$10
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs				0.00	\$0	n/a	\$0
Other (as needed)				0.00	\$0	n/a	\$0

Notes for DELAYED costs

Estimated expense to report a deviation. The Date Required is the date the deviation was due to be reported. The Final Date is the date that corrective actions were completed.

## Avoided Costs

ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)

Disposal				0.00	\$0	\$0	\$0
Personnel				0.00	\$0	\$0	\$0
Inspection/Reporting/Sampling				0.00	\$0	\$0	\$0
Supplies/equipment				0.00	\$0	\$0	\$0
Financial Assurance [2]				0.00	\$0	\$0	\$0
ONE-TIME avoided costs [3]				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0

Notes for AVOIDED costs

Approx. Cost of Compliance

\$100

TOTAL

\$10

Screening Date 17-Nov-2011

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PCW

Respondent Moss Bluff Hub, LLC

Policy Revision 2 (September 2002)

Case ID No. 42999

PCW Revision October 30, 2008

Reg. Ent. Reference No. RN100217256

Media [Statute] Air

Enf. Coordinator Trina Grieco

Violation Number 4

Rule Cite(s)

30 Tex. Admin. Code §§ 122.143(4) and 122.144(1), FOP No. 02587, General Terms and Conditions and Special Terms and Conditions No. 6, and Tex. Health & Safety Code § 382.085(b)

Violation Description

Failed to record monthly inspections of the capture system associated with the VOC control device (Thermal Oxidizer MB-TO1) subject to Compliance Assurance Monitoring since FOP No. 02587 was renewed on December 21, 2010.

Base Penalty \$10,000

## &gt;&gt; Environmental, Property and Human Health Matrix

OR

Release	Harm		
	Major	Moderate	Minor
Actual			
Potential			

Percent 0%

## &gt;&gt; Programmatic Matrix

Falsification	Major	Moderate	Minor
			X

Percent 1%

Matrix Notes

The Respondent failed to comply with less than 30% (one of nine) of the rule requirements.

Adjustment \$9,900

\$100

## Violation Events

Number of Violation Events 1

266 Number of violation days

mark only one with an x

daily	
weekly	
monthly	
quarterly	
semiannual	
annual	
single event	X

Violation Base Penalty \$100

One single event is recommended.

## Good Faith Efforts to Comply

10.0% Reduction

\$10

Before NOV NOV to EDPRP/Settlement Offer

Extraordinary		
Ordinary		X
N/A		(mark with x)

Notes

The Respondent completed corrective actions by September 7, 2011, after the June 22, 2011 NOE.

Violation Subtotal \$90

## Economic Benefit (EB) for this violation

## Statutory Limit Test

Estimated EB Amount \$4

Violation Final Penalty Total \$120

This violation Final Assessed Penalty (adjusted for limits) \$120

# Economic Benefit Worksheet

**Respondent** Moss Bluff Hub, LLC  
**Case ID No.** 42999  
**Reg. Ent. Reference No.** RN100217256  
**Media** Air  
**Violation No.** 4

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
No commas or \$							

## Delayed Costs

Equipment				0.00	\$0	\$0	\$0
Buildings				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0
Engineering/construction				0.00	\$0	\$0	\$0
Land				0.00	\$0	n/a	\$0
Record Keeping System	\$100	21-Dec-2010	7-Sep-2011	0.71	\$4	n/a	\$4
Training/Sampling				0.00	\$0	n/a	\$0
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs				0.00	\$0	n/a	\$0
Other (as needed)				0.00	\$0	n/a	\$0

Notes for DELAYED costs

Estimated expense to record monthly inspections. The Date Required is the date the first inspection was not recorded. The Final Date if the date corrective actions were completed.

## Avoided Costs

ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)

Disposal				0.00	\$0	\$0	\$0
Personnel				0.00	\$0	\$0	\$0
Inspection/Reporting/Sampling				0.00	\$0	\$0	\$0
Supplies/equipment				0.00	\$0	\$0	\$0
Financial Assurance [2]				0.00	\$0	\$0	\$0
ONE-TIME avoided costs [3]				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0

Notes for AVOIDED costs

Approx. Cost of Compliance

\$100

TOTAL

\$4

## Compliance History

Customer/Respondent/Owner-Operator:	CN603335308	Moss Bluff Hub, LLC	Classification: AVERAGE	Rating: 4.33
Regulated Entity:	RN100217256	MOSS BLUFF NATURAL GAS STORAGE FACILITY	Classification: AVERAGE	Site Rating: 4.33

ID Number(s):	AIR OPERATING PERMITS	ACCOUNT NUMBER	LH0112H
	AIR OPERATING PERMITS	PERMIT	2587
	AIR OPERATING PERMITS	PERMIT	2587
	AIR NEW SOURCE PERMITS	PERMIT	20205
	AIR NEW SOURCE PERMITS	ACCOUNT NUMBER	LH0112H
	AIR NEW SOURCE PERMITS	AFS NUM	4829100043
	AIR NEW SOURCE PERMITS	REGISTRATION	84377
	AIR EMISSIONS INVENTORY	ACCOUNT NUMBER	LH0112H

Location: 1078 PRIVATE ROAD 125G, LIBERTY CO., TX, 77575

TCEQ Region: REGION 12 - HOUSTON

Date Compliance History Prepared: December 20, 2011

Agency Decision Requiring Compliance History: Enforcement

Compliance Period: December 20, 2006 to December 20, 2011

TCEQ Staff Member to Contact for Additional Information Regarding this Compliance History

Name: Trina Grieco Phone: (210) 403-4006

### Site Compliance History Components

1. Has the site been in existence and/or operation for the full five year compliance period? YES
2. Has there been a (known) change in ownership/operator of the site during the compliance period? NO
3. If YES, who is the current owner/operator? N/A
4. If YES, who was/were the prior owner(s)/operator(s)? N/A
5. If YES, when did the change(s) in owner or operator occur? N/A
6. Rating Date: 9/1/2011 Repeat Violator: NO

### Components (Multimedia) for the Site :

- A. Final Enforcement Orders, court judgments, and consent decrees of the State of Texas and the federal government.

Effective Date: 02/20/2011

ADMINORDER 2010-1322-AIR-E

Classification: Moderate

Citation: 30 TAC Chapter 122, SubChapter B 122.143(4)

30 TAC Chapter 122, SubChapter B 122.145(2)(C)

5C THSC Chapter 382 382.085(b)

Rqmt Prov: General Terms and Conditions ORDER

Description: Failed to submit a semi-annual deviation report within thirty days of the end of the reporting period. Specifically, the report covering the period November 12, 2008 through May 11, 2009 was due by June 11, 2009, but was not submitted until November 5, 2009, which was 148 days late.

- B. Any criminal convictions of the state of Texas and the federal government.

N/A

- C. Chronic excessive emissions events.

N/A

- D. The approval dates of investigations. (CCEDS Inv. Track. No.)

1 07/03/2007 (513253)

2 01/22/2007 (532293)

3 08/29/2007 (543380)

4 08/22/2008 (687713)  
 5 08/28/2009 (737083)  
 6 05/27/2010 (766457)  
 7 11/05/2009 (778492)  
 8 01/26/2010 (787908)  
 9 06/22/2011 (877829)  
 10 04/07/2011 (911925)  
 11 11/09/2011 (950989)  
 12 12/09/2011 (970730)

E. Written notices of violations (NOV). (CCEDS Inv. Track. No.)

Date:	08/29/2007	(543380)	CN603335308
Self Report?	NO		Classification: Moderate
Citation:	30 TAC Chapter 122, SubChapter B 122.143(4) 30 TAC Chapter 122, SubChapter B 122.145(2)(A) 5C THC Chapter 382, SubChapter D 382.085(b) O-00259 OP		
Description:	Failure to include a prior deviation in the corresponding deviation report.		
Self Report?	NO		Classification: Moderate
Citation:	30 TAC Chapter 122, SubChapter B 122.143(4) 30 TAC Chapter 122, SubChapter B 122.145(2)(A) 5C THC Chapter 382, SubChapter D 382.085(b) O-00259 OP		
Description:	Failure to submit the 2005 Annual Emission Limit Exceedance/Engine Downtime report.		

Date:	08/31/2009	(737083)	CN603335308
Self Report?	NO		Classification: Minor
Citation:	30 TAC Chapter 122, SubChapter B 122.143(4) 30 TAC Chapter 122, SubChapter B 122.145(2)(A) 5C THSC Chapter 382 382.085(b) GOP 511, SC b(2) (Sitewide Requirements) PERMIT		
Description:	Failure to report all instances of deviations within the second semi-annual deviation report. (Category B3)		

F. Environmental audits.

N/A

G. Type of environmental management systems (EMSs).

N/A

H. Voluntary on-site compliance assessment dates.

N/A

I. Participation in a voluntary pollution reduction program.

N/A

J. Early compliance.

N/A

Sites Outside of Texas

N/A



# TEXAS COMMISSION ON ENVIRONMENTAL QUALITY



**IN THE MATTER OF AN  
ENFORCEMENT ACTION  
CONCERNING  
MOSS BLUFF HUB, LLC  
RN100217256**

**§ BEFORE THE  
§  
§ TEXAS COMMISSION ON  
§  
§ ENVIRONMENTAL QUALITY**

## **AGREED ORDER DOCKET NO. 2011-2161-AIR-E**

### **I. JURISDICTION AND STIPULATIONS**

At its \_\_\_\_\_ agenda, the Texas Commission on Environmental Quality ("the Commission" or "TCEQ") considered this agreement of the parties, resolving an enforcement action regarding Moss Bluff Hub, LLC ("the Respondent") under the authority of TEX. HEALTH & SAFETY CODE ch. 382 and TEX. WATER CODE ch. 7. The Executive Director of the TCEQ, through the Enforcement Division, and the Respondent appear before the Commission and together stipulate that:

1. The Respondent owns and operates a natural gas storage plant at 1078 Private Road 125G in Liberty County, Texas (the "Plant").
2. The Plant consists of one or more sources as defined in TEX. HEALTH & SAFETY CODE § 382.003(12).
3. The Commission and the Respondent agree that the Commission has jurisdiction to enter this Agreed Order, and that the Respondent is subject to the Commission's jurisdiction.
4. The Respondent received notice of the violations alleged in Section II ("Allegations") on or about June 27, 2011.
5. The occurrence of any violation is in dispute and the entry of this Agreed Order shall not constitute an admission by the Respondent of any violation alleged in Section II ("Allegations"), nor of any statute or rule.
6. An administrative penalty in the amount of Thirty-Six Thousand Seven Hundred Twenty Dollars (\$36,720) is assessed by the Commission in settlement of the violations alleged in Section II ("Allegations"). The Respondent has paid Twenty-Nine Thousand Three

Hundred Seventy-Six Dollars (\$29,376) of the administrative penalty and Seven Thousand Three Hundred Forty-Four Dollars (\$7,344) is deferred contingent upon the Respondent's timely and satisfactory compliance with all the terms of this Agreed Order. The deferred amount will be waived upon full compliance with the terms of this Agreed Order. If the Respondent fails to timely and satisfactorily comply with all requirements of this Agreed Order, the Executive Director may require the Respondent to pay all or part of the deferred penalty.

7. Any notice and procedures, which might otherwise be authorized or required in this action, are waived in the interest of a more timely resolution of the matter.
8. The Executive Director of the TCEQ and the Respondent have agreed on a settlement of the matters alleged in this enforcement action, subject to the approval of the Commission.
9. The Executive Director recognizes that the Respondent has implemented the following corrective measures at the Plant:
  - a. By September 7, 2011:
    - i. Began recording the pumping rate of storage tanks and tank truck loading; and
    - ii. Began recording the results of daily monitoring of the combustion/exhaust gas temperatures of the capture system associated with the volatile organic compounds ("VOC") control device (Thermal Oxidizer MB-TO1).
  - b. By October 17, 2011, reported the deviation for failing to install an emission control device on storage tank D-990; and
  - c. By November 28, 2011, retrofitted storage tank D-990 with a submerged pipe as an emission control device.
10. The Executive Director may, without further notice or hearing, refer this matter to the Office of the Attorney General of the State of Texas ("OAG") for further enforcement proceedings if the Executive Director determines that the Respondent has not complied with one or more of the terms or conditions in this Agreed Order.
11. This Agreed Order shall terminate five years from its effective date or upon compliance with all the terms and conditions set forth in this Agreed Order, whichever is later.
12. The provisions of this Agreed Order are deemed severable and, if a court of competent jurisdiction or other appropriate authority deems any provision of this Agreed Order unenforceable, the remaining provisions shall be valid and enforceable.

## **II. ALLEGATIONS**

As owner and operator of the Plant, the Respondent is alleged to have:

1. Failed to record the pumping rate of storage tanks and tank truck loading since issuance of the New Source Review ("NSR") permit on April 29, 2005, in violation of 30 TEX. ADMIN. CODE §§ 116.115(c) and 122.143(4), NSR Permit No. 20205, Special Conditions No. 10, Federal Operating Permit ("FOP") No. O2587, General Terms and Conditions and Special Terms and Conditions No. 7, and TEX. HEALTH & SAFETY CODE § 382.085(b), as documented during an investigation conducted on February 24, 2011.
2. Failed to install a submerged fill pipe or a vapor recovery system as an emission control device on storage tank D-990 containing pipeline liquids/condensate with a true vapor pressure of 17.7 pounds per square inch by January 1, 2009, resulting in the release of approximately 11.4 tons of VOC in 2009 and 4.15 tons of VOC in 2010, in violation of 30 TEX. ADMIN. CODE §§ 115.112(d)(1) and 122.143(4), FOP No. O2587, General Terms and Conditions and Special Terms and Conditions No. 1.A., and TEX. HEALTH & SAFETY CODE § 382.085(b), as documented during an investigation conducted on February 24, 2011.
3. Failed to report a deviation for failing to install an emission control device on storage tank D-990 for the four semi-annual deviation reporting periods between March 19, 2009 to March 18, 2011, in violation of 30 TEX. ADMIN. CODE §§ 122.143(4) and 122.145(2)(A), FOP No. O2587, General Terms and Conditions and Special Terms and Conditions No. 1.A., and TEX. HEALTH & SAFETY CODE § 382.085(b), as documented during an investigation conducted on February 24, 2011.
4. Failed to record monthly inspections of the capture system associated with the VOC control device (Thermal Oxidizer MB-TO1) subject to Compliance Assurance Monitoring since FOP No. O2587 was renewed on December 21, 2010, in violation of 30 TEX. ADMIN. CODE §§ 122.143(4) and 122.144(1), FOP No. O2587, General Terms and Conditions and Special Terms and Conditions No. 6, and TEX. HEALTH & SAFETY CODE § 382.085(b), as documented during an investigation conducted on February 24, 2011.

## **III. DENIALS**

The Respondent generally denies each allegation in Section II ("Allegations").

#### IV. ORDERING PROVISIONS

1. It is, therefore, ordered by the TCEQ that the Respondent pay an administrative penalty as set forth in Section I, Paragraph 6 above. The payment of this administrative penalty and the Respondent's compliance with all the terms and conditions set forth in this Agreed Order resolve only the allegations in Section II. The Commission shall not be constrained in any manner from requiring corrective action or penalties for violations which are not raised here. Administrative penalty payments shall be made payable to "TCEQ" and shall be sent with the notation "Re: Moss Bluff Hub, LLC, Docket No. 2011-2161-AIR-E" to:  
  
Financial Administration Division, Revenues Section  
Attention: Cashier's Office, MC 214  
Texas Commission on Environmental Quality  
P.O. Box 13088  
Austin, Texas 78711-3088
2. The provisions of this Agreed Order shall apply to and be binding upon the Respondent. The Respondent is ordered to give notice of the Agreed Order to personnel who maintain day-to-day control over the Plant operations referenced in this Agreed Order.
3. This Agreed Order, issued by the Commission, shall not be admissible against the Respondent in a civil proceeding, unless the proceeding is brought by the OAG to: (1) enforce the terms of this Agreed Order; or (2) pursue violations of a statute within the Commission's jurisdiction, or of a rule adopted or an order or permit issued by the Commission under such a statute.
4. This Agreed Order may be executed in separate and multiple counterparts, which together shall constitute a single instrument. Any page of this Agreed Order may be copied, scanned, digitized, converted to electronic portable document format ("pdf"), or otherwise reproduced and may be transmitted by digital or electronic transmission, including but not limited to facsimile transmission and electronic mail. Any signature affixed to this Agreed Order shall constitute an original signature for all purposes and may be used, filed, substituted, or issued for any purpose for which an original signature could be used. The term "signature" shall include manual signatures and true and accurate reproductions of manual signatures created, executed, endorsed, adopted, or authorized by the person or persons to whom the signatures are attributable. Signatures may be copied or reproduced digitally, electronically, by photocopying, engraving, imprinting, lithographing, electronic mail, facsimile transmission, stamping, or any other means or process which the Executive Director deems acceptable. In this paragraph exclusively, the terms "electronic transmission", "owner", "person", "writing", and "written" shall have the meanings assigned to them under TEX. BUS. ORG. CODE § 1.002.
5. Under 30 TEX. ADMIN. CODE § 70.10(b), the effective date is the date of hand-delivery of the Order to the Respondent, or three days after the date on which the Commission mails notice of the Order to the Respondent, whichever is earlier. The Chief Clerk shall provide a copy of this Agreed Order to each of the parties.

## SIGNATURE PAGE

### TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

\_\_\_\_\_  
For the Commission

  
\_\_\_\_\_  
For the Executive Director

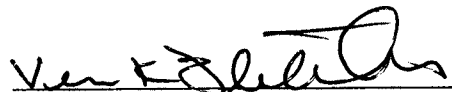
5/16/12  
\_\_\_\_\_  
Date

I, the undersigned, have read and understand the attached Agreed Order. I am authorized to agree to the attached Agreed Order on behalf of the entity indicated below my signature, and I do agree to the terms and conditions specified therein. I further acknowledge that the TCEQ, in accepting payment for the penalty amount, is materially relying on such representation.

I also understand that failure to comply with the Ordering Provisions, if any, in this order and/or failure to timely pay the penalty amount, may result in:

- A negative impact on compliance history;
- Greater scrutiny of any permit applications submitted;
- Referral of this case to the Attorney General's Office for contempt, injunctive relief, additional penalties, and/or attorney fees, or to a collection agency;
- Increased penalties in any future enforcement actions;
- Automatic referral to the Attorney General's Office of any future enforcement actions;
- and
- TCEQ seeking other relief as authorized by law.

In addition, any falsification of any compliance documents may result in criminal prosecution.

  
\_\_\_\_\_  
Signature

03/01/2012  
\_\_\_\_\_  
Date

Verne K Fletcher  
\_\_\_\_\_  
Name (Printed or typed)  
Authorized Representative of  
Moss Bluff Hub, LLC

General Manager, SE Region  
\_\_\_\_\_  
Title

**Instructions:** Send the original, signed Agreed Order with penalty payment to the Financial Administration Division, Revenues Section at the address in Section IV, Paragraph 1 of this Agreed Order.